

S-E-C-R-E-T

9 June 1967

OFFICE OF FINANCE INSTRUCTION NO. 116, Supplement No. 1

SUBJECT : General - Chart of General Ledger Accounts

Specific - Implementation of Single Fund Accounting System

1. The Chart and Description of Accounts, distributed by Office of Finance Instruction 116, dated 30 December 1965, will replace the present separate Charts and Descriptions of Vouchered Fund and Confidential Fund Accounts effective on 1 July 1967. All accounting transactions recorded on or after 1 July 1967 must conform to the new Chart. Coding requirements for the new accounts are set forth in the 1 July 1967 revision to the Financial Coding Guide.

2. There will be no attempt for the present to discontinue use of the terms "vouchered funds" and "confidential funds", even though a single system of accounts is being established and a single series of journal vouchers will be used beginning 1 July 1967. Separate FAN accounts will continue to be used to identify the respective types of transactions.

3. Under the new system, the procedure for obtaining DCI certifications under Section 8(b) of the CIA Act of 1949 will be changed to provide for certification after the fact of actual budgetary expenditures appropriately coded which are recorded during a particular time period in lieu of the present practice of certifying cash withdrawals from the Treasury for use in sensitive confidential operations. Thus, it becomes extremely important to properly distinguish between DCI certified and non-DCI certified confidential activities and vouchered activities. To accomplish this, separate confidential and vouchered FAN accounts and the following codes will be used to identify expenditure transactions:

a. Vouchered Activity (Non-DCI Certified) - Exp. Code 77

Expenditures which can be accounted for and audited in conformance with the laws that apply to other Government agencies and with standard Government regulations and procedures will be coded "77" if operations and operational security do not require that the Director certify

GROUP I  
Excluded from automatic  
downgrading and  
declassification

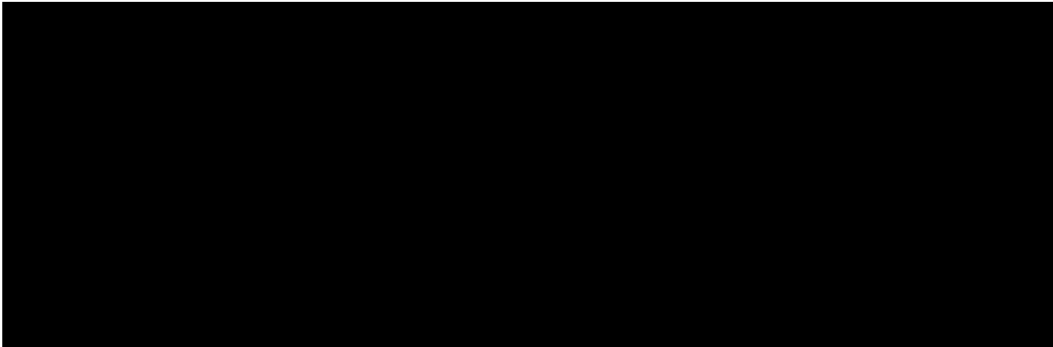
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such expenditures. Examples are travel on overt (XG) travel orders, payrolling of certain overt and nominal official cover employees, and procurement of materiel and services where the Agency overtly contracts for the materiel or services.

b. Confidential Activity (DCI Certified) - Exp. Code 88

Expenditures in connection with support of Agency activities of a confidential, extraordinary, or emergency nature which will be accounted for in a manner compatible with the maintenance of reasonable security for Agency operations and the protection of the sources of intelligence. Examples are all over-seas operations except [REDACTED] project and agent operations, overseas travel of staff employees. STATSPEC



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To facilitate the maintenance of voucher files in a manner that will permit identification and physical separation of vouchers and supporting documents relating to vouchered activities (paragraph 3a above) from confidential activity vouchers (paragraphs 3b and 3c above), it will not be permissible to record an expenditure transaction coded "77" on the same voucher with a transaction coded "88" or "89" except for adjustments recorded on Form 128, Adjustment Voucher. Expenditure transactions coded "88" or "89" may be recorded on the same voucher.

4. The conversion to the single fund accounting system effective 1 July 1967 will require the close attention of each office responsible for the preparation of vouchers during the last week of June to insure that the current coding is used on those vouchers which will reach the Accounts Division and those which will be paid by Monetary Division on or before 30 June 1967. Vouchers prepared for payment by Monetary Division


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and those forwarded to the Accounts Division for recording on or after 1 July 1967 must reflect the new general ledger accounts and related coding. Vouchers received on or after 1 July 1967 bearing discontinued account numbers and coding will be revised by the Accounts Division. Each office is requested to give special attention to the foregoing coding requirements during the transition period so as to minimize the need for revising accounting entries.

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S. H. FUCHS  
Director of Finance

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